

SPONSOR'S REBUTTAL TO FISCAL NOTE

Bill Number: SB 277

Date Prepared: February 14, 2011

Short Title: Revise duties of Department of Livestock re federal beef promotion

Sponsor: Sen. Eric Moore

Fiscal Note Version and Date: SB277-01 2-10-11

Generally, why do you disagree with the fiscal note?

It misinterprets the effect of the bill.

Specifically, what in the fiscal note do you feel is flawed?

[Describe specific assumptions, calculations, technical issues, etc.]

The fiscal note assumes that the Department of Livestock is forced to lose \$70,000 in check-off collections. That is inaccurate. The department's cost must be verified by the Legislative Auditor's office. If the direct collection costs in excess of 5% of collections are verified by the Auditor, the department is not required to contract to collect the check-off.

What is your estimate of the fiscal impact?

The bill will save the department \$85,000 per year. This is the fee previously paid to the department by the Montana Beef Council. The department testified in committee that they have no plans to reduce any staff or spending if they cease check-off collection, so reinstating the \$85,000 will save the State that amount.

SB 277